

# **FISCAL NOTE**

## **SB 670**

February 15, 2007

**SUMMARY OF BILL:** Prohibits local governments from making the enactment of a tax increase contingent upon the rejection, by voters, of a subsequent tax referendum.

### **ESTIMATED FISCAL IMPACT:**

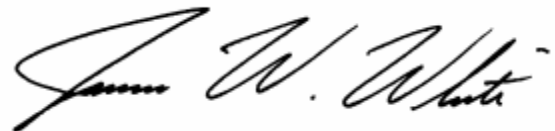
**Other Fiscal Impact – This bill may change local government strategies for raising taxes. The impact of removing contingent tax increases cannot reasonably be quantified because some local governments may opt to enact a higher tax rate than would have resulted from a contingent proposal, and other governments may opt to enact a lower rate than might have been approved in a referendum. A higher tax rate would result in increased local government revenues in the amount of the difference between the two rates. A lower rate would result in revenue foregone to local governments in the amount of the difference between the two rates.**

Assumption:

- Some local governments are currently utilizing the practice of passing multiple tax rates with a contingency clause that is triggered by the results of a subsequent referendum.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director